GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

STARRED QUESTION NO:269
ANSWERED ON:10.03.2003
SUBSIDY FOR AGRICULTURE SECTOR
BASUDEB ACHARIA;MAHBOOB ZAHEDI

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the developed countries provide huge subsidies to their agriculture sector including exports;

(b) if so, whether it has caused imbalance of trade in the developing countries particularly in India;

(c) if so, the remedial measures the Government propose to take in this regard;

(d) whether India alongwith the other developing countries has a plan to thrash out a clear-cut time-frame for scaling down subsidies and opening up the markets for the developing countries in the next Ministerial conclave of WTO; and

(e) if so, the details thereof?

Answer

MINISTER OF AGRICULTURE (SHRI AJIT SINGH)

(a) to (e): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 269 DUE FOR REPLY ON 10TH MARCH, 2003.

(a) to (e): The continued high levels of domestic support and export subsidies on agricultural products in many developed countries denies meaningful market access to products of export interest to developing countries and depresses international prices.

In the on-going negotiations in the WTO under the Agreement on Agriculture (AoA), India has sought, inter-alia, substantial reduction in all forms of trade-distorting domestic support by the developed countries and time-bound elimination of all export subsidies, other than those provided by all developing countries for marketing, including handling, upgrading and other processing costs, and costs of transport and freight under Articles 9.1 (d) and (e) of the AoA which should remain without reduction commitments. The Doha Ministerial Declaration also provides that special and differential treatment for developing countries shall be an integral part of all elements of the negotiations. The negotiations are likely to be concluded by 1.1.2005.